

January 4, 2021

**Directive 2021-01**

**TO: ALL PARTICIPATING LENDERS**

**SUBJECT: PROGRAM CODE GUIDE ENHANCEMENTS**

At the Maryland Mortgage Program we are constantly seeking to improve our process and enhance the lender's experience. At the bottom of every Directive we always include the following statement: *If you have any questions concerning this Directive or suggestions for improvements, please email [singlefamilyhousing.dhcd@maryland.gov](mailto:singlefamilyhousing.dhcd@maryland.gov).*

As a result of recent suggestions by several of our lenders, we have enhanced the Program Code Guide, adding the required Automated Underwriting System (AUS) to differentiate between Conventional Fannie Mae (DU) and Freddie Mac (LPA) loan products. Adding the Automated Underwriting System to the codes should assist in reserving the correct product, so that the lender uses the correct AUS and minimizes potential salability issues. It is mandatory for the loan product and the AUS to align.

Below is a sample of the new format. The AUS is now part of the coding.

**Flex 3% Grant**

*Comes with a DPA grant equal to 3% of the first mortgage*

B: 886/P: 593 – FLEX 3% GRANT GOVT  
B: 886/P: 595 – FLEX 3% GRANT CRDT 640

FNMA:  
B: 872/P: 710 – FLEX 3% GRANT CONV >80% AMI (DU)  
B: 886/P: 708 – FLEX 3% GR CONV =OR<80%AMI (DU)

FHLMC:  
B: 885/P: 874 – FLEX 3% GRANT CONV >80% AMI (LPA)  
B: 885/P: 269 – FLEX 3% GR CONV =OR<80% AMI (LPA)

The updated Program Code Guide is located at the following link:

<https://mmp.maryland.gov/Lenders/Documents/CDAPROGRAMCODEGUIDE.pdf>



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Mortgage professionals and real estate agents can stay up to date with MMP by signing up for email updates, Partner Bulletins, Daily Interest Rate Sheets, Directives and Notifications.

<https://maryland.us9.list-manage.com/subscribe?u=54e1386f925f6462ed0a4d338&id=5505490947>

As always, we appreciate your continued participation in our programs.

If you have any questions concerning this Directive or suggestions for improvements, please email [singlefamilyhousing.dhcd@maryland.gov](mailto:singlefamilyhousing.dhcd@maryland.gov).

Sincerely,

*Karl Metzgar*

Karl Metzgar  
Assistant Director / Operations Manager  
Single Family Housing

